

REMARKS/ARGUMENTS

A. Rejections under 35 U.S.C. § 102

Claim 15 is rejected under 36 U.S.C. 102(e) as being anticipated by Ray et al. (U.S. Patent No. 6,018,722). Applicants respectfully traverse this rejection for at least the following reasons.

The present invention generally relates to a computer-implemented system and method for providing automated investment allocation advice—at both an asset class allocation level and an equity-specific level—customizing the automated advice for both the asset class allocation and specific equities, executing securities investments, and maintaining/rebalancing investment portfolios. The system and method provides the user with automated allocation advice, which includes “recommended investment percentages for a plurality of asset classes,” which may included asset classes such as cash, fixed income instruments, domestic equities, and foreign equities, among others. The advice is based on, *inter alia*, the user’s determined risk tolerance. The recommended investment percentages may be customized or otherwise modified by the user. The system further recommends a list, or “basket,” of equities to the user for purchase and a number of shares of each equity to purchase. The “basket” is similar to a shopping cart of specific equities recommended for purchase, with recommended shares for each security, both of which may be customized by the user. Finally, the user executes the securities purchases, or sales, in accordance with the customized recommendations.

Specifically, independent claim 15 recites “means for providing automated allocation advice to a user based on the user’s risk tolerance, the automated allocation advice including recommended investment percentages for a plurality of asset classes,” “means for allowing the user to customize the recommended investment percentages,” “means for selection of the equities, ... allowing said user to customize said recommended list of suggested equities and said number of shares to be purchased,” and “means for automated electronic execution of transactions in multiple investment securities...”

In contrast, Ray discloses a computer-implemented portfolio system that assesses an investor’s objectives, adjusts for economic environment, and researches and selects a number of securities to suggest to the user. Specifically, Ray describes first determining an asset allocation model 115 based on a specific user’s answers to a questionnaire. Col. 4, lines 62-65. These

answers are used to “determine which of 294 separate asset classes are most suitable to achieve particular customer objectives...” Col. 5, lines 5-10.

Next, after the asset allocation model 115 is determined, the economic environment “is determined by an independent source of economic data.” Col. 5, lines 59-67. An unspecified set of securities is analyzed “by initially using fundamental securities information.” Col. 8, lines 24-28. “This evaluation generates a BUY, BUY/HOLD, HOLD, SELL/HOLD or SELL ...” for each analyzed security. Col. 8, lines 36-38. “Securities which qualify for purchase on both a fundamental and technical basis ... are evaluated for their impact on the specific portfolio for which they are being considered according to risk/return ratio 720.” Col. 8, lines 39-43. Finally, the system provides these recommended transactions to the user, which the user may execute. Col. 9, lines 39-43.

Accordingly, the system of Ray results in a lengthy list of stocks with a buy, buy/hold, hold, sell/hold, or sell rating. According to the teaching of Ray, each day that a user holds a stock that has a sell rating, a recommendation is generated to the user to sell that stock. Similarly, stocks with a buy indication generate a buy recommendation. Nowhere does the reference describe how this inevitably extensive list of stocks is generated into a specific list of recommended stocks with associated numbers of shares for the user to purchase or sell.

Further, nowhere does the reference disclose allowing the user to customize the investment percentages for asset classes or the list of suggested equities; the user of Ray is merely given the opportunity to approve or disapprove individual stock recommendations. *See* Col. 9, line 66-Col. 10, line 2 (“displayed with the recommended investments is a prompt which asks the customer whether or not he or she wishes to invest.”) Examiner references Col. 5, lines 33-58, and Col. 7, lines 4-28, as purportedly teaching the ability of the user to customize or modify a suggested list of securities. However, careful reading of these passages reveals that the discussion therein refers only to computerized or automated operations of adding stocks to the recommended list before the list is shown to the user. Nowhere does the reference disclose allowing the user to customize the list of equities that have already been recommended.

Additionally, nowhere does the reference disclose recommending a number of shares for the user to purchase of the suggested equities as claimed. Rather, the reference merely describes generating a buy or buy/hold recommendation for the user with reference to a particular security.

For at least these reasons, Applicants respectfully submit that claim 15 is patentably distinguishable over Ray.

B. Rejections under 35 U.S.C. § 103

Claims 1-13 and 16-24 are rejected under 35 U.S.C. § 103 as being unpatentable over Ray et al. in view of Garcia (U.S. Patent No. 6,272,474). These references fail to teach or suggest all of the claim limitations as required by MPEP § 2143, and therefore the rejection is unsupported by the art. Accordingly, Applicants respectfully request reconsideration of these claims and that the rejection be withdrawn.

Independent claims 1, 16, and 24 all generally recite suggesting or recommending to a user a list of securities and number of shares of each to purchase, allowing the user to customize the securities or number of shares, and executing or facilitating the purchases.

As described above, Ray clearly fails to disclose allowing the user to customize the recommended list of securities as claimed, but, rather, the user is merely given the opportunity to approve or disapprove individual recommendations. Additionally, nowhere does Ray disclose recommending a number of shares for the user to purchase. Moreover, Garcia does not teach or suggest modifying Ray to achieve these limitations; Garcia is merely cited as allegedly teaching “monitoring and trading stocks via the Internet [and] a user viewing community chats and discussion or polls.”

Additionally, independent claims 1, 16, and 24 further recite displaying a plurality of investment strategies to a user, and allowing the user to selected one of the investment strategies, which subsequently serves as the basis for the securities recommendations. Nowhere do the cited references teach or suggest these limitations. In contrast, Ray describes determining an asset allocation model 115 based on a specific user’s answers to a questionnaire. Col. 4, lines 62-65. However, the user in Ray is not given the opportunity to selected an investment strategy as claimed.

For at least these reasons, the cited references fail to teach or suggest all of the claim limitations of independent claims 1, 16, and 24, and Applicants respectfully request withdrawal of these rejections.

The rejections to dependent claims 2-13 and 17-23 are respectfully opposed as these claims depend from allowable independent claims 1 and 16 respectively.

This application now stands in allowable form and reconsideration and allowance is respectfully requested.

Respectfully submitted,

DORSEY & WHITNEY LLP
Customer Number 25763

Date: _____

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By: _____



Christopher R. Hilberg,

Reg. No. 48,740

Attorney or Agent under 37 CFR 1.34